

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 177/2015

Reserved on 11th December, 2015
Date of pronouncement: 23rd December, 2015

In the matter of

The Companies Act, 1956 & the Companies Act, 2013 (to the extent applicable):

And

**Application under Sections 391 to 394 of the
Companies Act, 1956**

Scheme of Amalgamation of:

Trophy Holdings Private Limited

Applicant/Transferor Company

WITH

Liquid Investment and Trading Company Private Limited

Applicant/Transferee Company

**Through Mr. N. Ganpathy, Advocate
for the applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391 to 394 of the Companies Act, 1956 by the applicant companies seeking directions of this court to dispense with the requirement of convening the meetings of their equity shareholders, preference shareholders, secured and unsecured creditors to consider and approve, with or without modification, the proposed Scheme of Amalgamation of Trophy Holdings Private Limited (hereinafter referred to as the transferor company) with Liquid Investment and Trading Company Private Limited (hereinafter referred to as the transferee company).

2. The registered offices of the transferor and transferee companies are situated at New Delhi, within the jurisdiction of this Court.

3. The transferor company was incorporated under the Companies Act, 1956 on 19th February, 2003 with the Registrar of Companies, NCT of Delhi & Haryana.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 24th May, 1982 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Liquid Investment and Trading Company. The company changed its name to Liquid Investment and Trading Company Private Limited and obtained the fresh certificate of incorporation on 15th April, 2011.

5. The present authorized share capital of the transferor company is Rs.3,00,00,000/- divided into 30,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.2,90,24,110/- divided into 29,02,411 equity shares of Rs.10/- each.

6. The present authorized share capital of the transferee company is Rs.27,00,00,000/- divided into 1,85,00,000 equity shares of Rs.10/- each aggregating to Rs.18,50,00,000/-; 10,000 11% non-cumulative

redeemable preference shares of Rs.100/- each aggregating to Rs.10,00,000/-; 3,40,000 12.5% non-cumulative redeemable preference shares of Rs.100/- each aggregating to Rs.3,40,00,000/-; and 5,00,000 5% non-cumulative redeemable preference shares of Rs.100/- each aggregating to Rs.5,00,00,000/-. The issued, subscribed and paid-up share capital of the company is Rs.24,50,27,000/- divided into 1,82,50,600 equity shares of Rs.10/- each aggregating to Rs.18,25,06,000/-; 210 11% non-cumulative redeemable preference shares of Rs.100/- each aggregating to Rs.21,000/-; 3,00,000 12.5% non-cumulative redeemable preference shares of Rs.100/- each aggregating to Rs.3,00,00,000/-; and 3,25,000 5% non-cumulative redeemable preference shares of Rs.100/- each aggregating to Rs.3,25,00,000/-.

7. Copies of the Memorandum and Articles of Association of the transferor and transferee companies have been filed on record. The audited balance sheets, as on 31st March, 2015, of the transferor and transferee companies, along with the reports of the auditors, have also been filed.

8. A copy of the Scheme of Amalgamation has been placed on record and the salient features of the Scheme have been incorporated and detailed in the application and the accompanying affidavit. It is claimed

that the proposed amalgamation would lead to more efficient utilization of capital and create a stronger capital base for future growth of the amalgamated entity which will be beneficial for all its stakeholders. It is further claimed that the proposed amalgamation will lead to reduction of administrative cost and overhead expenses which would further lead to greater and effective executive control, synergy of operations and optimum utilization of available resources.

9. So far as the share exchange ratio is concerned, the Scheme provides that, upon coming into effect of this Scheme, the transferee company shall issue and allot equity shares to the shareholders of the transferor company in the following ratio:

“25 equity shares of Rs.10/- each, credited as fully paid up, of the transferee company for every 100 equity shares of Rs.10/- each fully paid up held in the transferor company.”

10. It has been submitted by the applicants that no proceedings under Sections 237, 250, 250A and 251 of the Companies Act, 1956 are pending against the applicant companies.

11. The Board of Directors of the transferor and transferee companies in their separate meetings held on 10th August, 2015 have unanimously approved the proposed Scheme of Amalgamation. Copies of the

Resolutions passed at the meetings of the Board of Directors of the transferor and transferee companies have been placed on record.

12. The transferor company has 03 equity shareholders and 09 unsecured creditors, including loan from directors. All the equity shareholders and all the unsecured creditors have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meetings of the equity shareholders and unsecured creditors of the transferor company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured creditor of the transferor company, as on 15th September, 2015.

13. The transferee company has 03 equity shareholders, 01 preference shareholder, holding all types of preference shares, 03 secured creditors and 10 unsecured creditors, including loan from directors. All the equity shareholders, the preference shareholder, all the secured creditors and all the unsecured creditors have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof,

the requirement of convening the meetings of the equity shareholders, preference shareholder, secured and unsecured creditors of the transferee company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with.

14. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

December 23, 2015